



**LEAGUE OF WOMEN VOTERS®
OF OREGON**

April 6, 2015

House Health Care Committee
Rep. Mitch Greenlick, Chair
Rep. Rob Nosse and Cedric Hayden, Vice-Chairs
sandy.thielecirka@state.or.us

Re: HB 2875 and HB 3178 – related to Pharmacy Benefit Managers - Support

The League of Women Voters is a nonpartisan, grassroots political organization that encourages informed and active participation in government. The League has a position to promote a health care system that provides access to a basic level of quality care for all residents and controls health care costs.

The League listened to the discussion on Friday, April 3, and was concerned about the cost control issues with the evolution of the Pharmacy Benefit Managers. It appears that these PBMs are contributing to cost escalation rather than cost control as reported by several pharmacists who testified at the Friday hearing. The purchase of pharmaceuticals from wholesalers appeared to be a good incentive for cost control, but in practice there are no disincentives or restrictions on PBMs to keep costs down.

The League recommends that the appeal process to the Department of Consumer and Business Services be strengthened and that sanctions be developed for large increases in the cost of pharmaceuticals. The options for purchase of drugs by pharmacies should be increased so they can seek the most competitive prices and pass on these competitive prices to their local consumers. Cost control is a critical function of DCBS and the Insurance Division with the provision of health care to an expanded population in medical assistance and subsidy programs.

Thank you for the opportunity to discuss this legislation.

Robin Wisdom
LWVOR President

Karen Nibler
Social Policy Coordinator